



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 16, 2007

TO: Mayor and Councilmembers

FROM: Environmental Services Division, Finance Department

SUBJECT: Status Of Conversion Technology Project At Tajiguas Landfill

RECOMMENDATION: That Council:

- A. Hear a report from staff on the status of the Conversion Technology (CT) Project; and
- B. Authorize the expenditure of \$75,000 from the Solid Waste Fund for the City's share of the cost of a consultant.

DISCUSSION:

The County of Santa Barbara Board of Supervisors requested County Public Works staff to work with City of Santa Barbara Environmental Services staff to jointly evaluate the feasibility of siting a Conversion Technology (CT) facility as an alternative to disposal at the Tajiguas Landfill. CT's are designed to convert the residual portion of the municipal solid waste (MSW) stream into energy, the primary benefit of which would be reduction of MSW disposal in the local landfill. The Board directed County staff to hire a consultant with expertise in this area to assist staff in developing a Request for Proposals (RFP) and, potentially, selecting a CT vendor within a year.

On February 27, 2007, Council approved the first step in the process, the development of an RFP selection of a consultant. Accordingly, the City and County of Santa Barbara staff have prepared and executed a Project Charter, which sets forth (among other things) the goals of the project, organization of the project team, roles and responsibilities of project team members, project budget and financing, and the project timeline.

Several months ago, a selection committee was organized to develop an RFP and evaluate qualified consultants. The selection committee consisted of staff from the City of Santa Barbara, the County of Santa Barbara, the City of Goleta and the Montecito Sanitation District.

REVIEWED BY: _____ Finance _____ Attorney _____ Name of Additional Department(s) That Need to Review CAR

Agenda Item No. _____

Based on the interviews conducted, discussions with clients provided as references by the consultants, and the consultants' directly related experience, the committee selected Alternative Resource Incorporated (ARI). ARI is an independent consulting firm that has provided management, environmental, engineering and financial services related to municipal solid waste disposal for over 23 years. ARI is a recognized leader in evaluating and implementing conversion technologies nationwide. They are currently managing similar projects for the City of New York, Los Angeles County, the Connecticut Resources Recovery Authority and the City of San Diego.

In broad terms, the scope of the work to be performed by ARI pursuant to this contract includes:

1. Refining the Original CT Project Goals and Objectives Developed by the Multi-Jurisdictional Solid Waste Task Group (MJSWTG) in 2004;
2. Finalizing the CT Evaluation Criteria Developed by the MJSWTG (Applicable to Prospective Conversion Technology Vendors); and
3. Identifying and Evaluating Vendors Offering Conversion Technologies

On October 16, 2007, County staff will be taking the contract with ARI to the Board of Supervisors for approval. The contract clearly defines the deliverables pursuant to an aggressive schedule. The fees established in the contract total \$147,400. Pursuant to the Project Charter, the City and County will evenly split these costs (\$73,700 each); and the City's portion will be paid to the County as work is performed by the consultant and invoices are paid by the County.

The selection of the consultant will be announced at the MJSWTG meeting on October 22, 2007. Other key dates and milestones associated with this project are as follows:

Date	Milestone
November 1, 2007	Initial Consultant Report – Summary of Goals & Objectives
December 3, 2007	Evaluation Criteria Finalized
December 2007	Presentation of Initial Report, Final Evaluation Criteria and Project Update to the MJSWTG
January 7, 2008	Final Report of Available and Recommended Conversion Technologies (CT) Completed
March 2008	Presentation of Final Report and Feasibility of Implementing CT at the Tajiguas Landfill to the MJSWTG

Based on the analysis performed by the consultants in conjunction with City and County staff, and input from the community and other stakeholders, the project may proceed to the next steps of developing an RFP and selecting a CT vendor.

Note that this RFP contemplated that the selected expert consultant would also assist in developing and assisting in the implementation of a public education and outreach strategy for the project. However, based on the interviews with the CT consultants, it became clear that their expertise was more in CT and less in outreach. As a result, the selection committee decided to contract for education/outreach consulting services separately. The payment arrangements for the City's share (50%) of this separate contract cost will be the same as described previously.

BUDGET/FINANCIAL INFORMATION:

The Solid Waste Fund includes \$75,000 for the City's share of the estimated total cost for consulting services of \$150,000. While there are sufficient funds already appropriated to cover the City's share of the consultant fees, the appropriations will not be sufficient to cover the cost of subsequent work that may be required of the consultant if we move forward with the selection of a CT vendor. Additional funds will also be needed in the short term to secure the services of a second consultant to assist with the development of an education/outreach plan.

After a consultant to assist in developing an outreach plan is selected, and the City's share of the cost is known, staff will return to Council for an increase in appropriations to fund the cost. Sufficient funds are available from unappropriated reserves in the Solid Waste Fund to cover any additional consulting costs.

SUSTAINABILITY IMPACTS:

At this point, the scope of the project is limited to determining the feasibility of installing a facility at the Tajiguas Landfill that employs CT to increase solid waste diversion. If the project moves forward, the end result will include a significant reduction in the volume of MSW being buried at the local landfill, but it will also result in the ongoing production of alternative energy created at the CT facility.

PREPARED BY: Robert Samario, Assistant Finance Director

SUBMITTED BY: Robert D. Peirson, Finance Director

APPROVED BY: City Administrator's Office